

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF COMM SOUTH)	
COMPANIES, INC. D/B/A KENTUCKY COMM)	
SOUTH, FOR CERTIFICATE OF PUBLIC)	CASE NO. 97-322
CONVENIENCE AND NECESSITY TO RESELL)	
LOCAL TELECOMMUNICATION SERVICES IN)	
THE COMMONWEALTH OF KENTUCKY)	

ORDER

On July 15, 1997, Comm South Companies, Inc. d/b/a Kentucky Comm South, Inc. ("Comm South") submitted an application to the Commission seeking a Certificate of Public Convenience and Necessity to provide intrastate telecommunications services within the Commonwealth of Kentucky. Deficiencies with the application were cured and the application filed with the Commission on August 27, 1997.

Comm South is a Texas corporation with its principal office in the state of Texas. Comm South seeks authority to provide local exchange telecommunications services within the Commonwealth of Kentucky. Comm South plans to offer the proposed services by utilizing the facilities of other existing telecommunications providers pursuant to negotiated or tariffed arrangements. Comm South does not propose to construct any facilities within Kentucky.

On July 15, 1997, Comm South submitted its proposed tariff. However, the proposed tariff is undated and unsigned. It should be resubmitted in accordance with 807 KAR 5:011. Comm South has requested deviations from several Commission regulations

which it claims are contrary to the nature of its service offering. Comm South proposes to provide service primarily to customers who have been disconnected for non-payment by the underlying local exchange carrier and therefore certain regulations pertaining to its operations are not applicable. Specifically, Comm South requests deviations from the following regulations: 807 KAR 5:006, Sections 3(5), 13(2), 13(5), and 14; and 807 KAR 5:061, Sections 5 and 11. Comm South proposes to limit its service offerings to those customers who otherwise would not have access to local exchange telecommunications services; therefore, the deviations requested should not jeopardize the provision of adequate service at fair, just, and reasonable rates. The Commission finds that good cause has been shown to grant the requested deviations for the class of customers described in Comm South's application. If Comm South extends its service offerings to other classes of customers not described in its application and this Order, then requests for deviations from 807 KAR 5:006, Sections 13(2), 13(5), and 14 should be renewed.

On July 15, 1997, Comm South filed a copy of its interconnection agreement with BellSouth Telecommunications, Inc. Pursuant to Section 253 of the Telecommunications Act of 1996, Comm South may not offer local exchange service until it completes negotiations with incumbent local exchange carriers and the resulting agreements have been submitted to and approved by the Commission.

The Commission has reviewed Comm South's agreement with BellSouth and finds that no portion of the agreement discriminates against a telecommunications carrier not a party to the agreement. The Commission also finds that the implementation of the agreement is consistent with the public interest, convenience, and necessity.

Comm South has demonstrated its financial, managerial, and technical capability to provide utility service. The Commission finds that Comm South should be authorized to provide intrastate telecommunications services within the Commonwealth of Kentucky, as described in this Order and Comm South's application, upon approval of its tariff and interconnection agreements. In accordance with Administrative Case No. 355,¹ Comm South has established an escrow account to support its Universal Service Fund obligations.

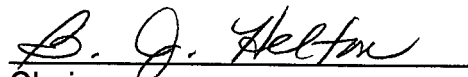
The Commission, having considered the evidence of record and being otherwise sufficiently advised, HEREBY ORDERS that:


1. Comm South is granted authority to provide intrastate telecommunications services within the Commonwealth of Kentucky upon approval of its tariff and interconnection agreements.
2. Comm South's negotiated agreement with BellSouth is approved.
3. Comm South shall comply with the monitoring requirements set for in Administrative Case No. 355.
4. Comm South is granted deviations from the following regulations: 807 KAR 5:006, Sections 3(5), 13(2), 13(5), and 14; and 807 KAR 5:061, Sections 5 and 11. Comm South shall renew its requests for deviations from 807 KAR 5:006, Sections 13(2), 13(5), and 14 for any additional classes of customers.
5. Within 30 days from the date of this Order, Comm South shall file its tariff pursuant to 807 KAR 5:011.

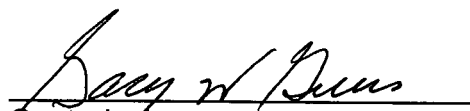
¹ Administrative Case No. 355, An Inquiry into Local Competition, Universal Service, and the Non-Traffic Sensitive Access Rate, Order dated September 26, 1996.

Done at Frankfort, Kentucky, this 18th day of November, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director